

Registered number: 08522764

FLATIRONS SOLUTIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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FLATIRONS SOLUTIONS LIMITED

COMPANY INFORMATION

| | |
|----------------------------|---|
| Directors | J Mihalik (appointed 25 February 2019) J E Parent (resigned 9 March 2018) S Labadie (appointed 8 June 2018) S Bachmann (appointed 8 June 2018, resigned 15 February 2019) S Cameron (appointed 8 June 2018) |
| Registered number | 08522764 |
| Registered office | Oak House Tanshire Park Shackleford Road Elstead Surrey GU8 6LB |
| Independent auditor | Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH |

FLATIRONS SOLUTIONS LIMITED

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FLATIRONS SOLUTIONS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

J E Parent (resigned 9 March 2018)
S Labadie (appointed 8 June 2018)
S Bachmann (appointed 8 June 2018, resigned 15 February 2019)
S Cameron (appointed 8 June 2018)

FLATIRONS SOLUTIONS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

On 25 June 2018, Crowe Clark Whitehill LLP changed its name to Crowe U.K. LLP.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on *April 16th 2019* and signed on its behalf.



S Cameron
Director

FLATIRONS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FLATIRONS SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Flatirons Solutions Limited (the 'Company') for the year ended 31 December 2018, which comprise the Statement of comprehensive income, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

FLATIRONS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FLATIRONS SOLUTIONS LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit: -

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

FLATIRONS SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF FLATIRONS SOLUTIONS LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Stacy Eden (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

St Bride's House
10 Salisbury Square

London
EC4Y 8EH

Date: 16 April 2019

FLATIRONS SOLUTIONS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Note | 2018 £ | 2017 £ |
|--|------|----------------|---------------|
| Turnover | | 190,411 | 525,843 |
| Cost of sales | | (138,597) | (428,931) |
| Gross profit | | 51,814 | 96,912 |
| Administrative expenses | | (57,196) | (66,365) |
| Operating (loss)/profit | | (5,382) | 30,547 |
| Interest receivable and similar income | | 52,280 | 12,056 |
| Interest payable and expenses | | (37,373) | (21,774) |
| Profit before tax | | 9,525 | 20,829 |
| Tax on profit | 4 | (1,299) | (2,731) |
| Profit for the financial year | | 8,226 | 18,098 |

There was no other comprehensive income for 2018 (2017: £NIL).

The notes on pages 8 to 13 form part of these financial statements.

FLATIRONS SOLUTIONS LIMITED
REGISTERED NUMBER: 08522764

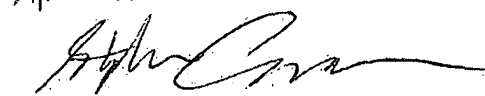
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

| | Note | 2018 £ | 2017 £ |
|--|------|----------------------|----------------------|
| Tangible assets | 5 | - | - |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 1,074,429 | 973,532 |
| Cash at bank and in hand | | 5,361 | 19,405 |
| | | <u>1,079,790</u> | <u>992,937</u> |
| Creditors: amounts falling due within one year | 7 | (1,001,073) | (922,446) |
| Net current assets | | <u>78,717</u> | <u>70,491</u> |
| Net assets | | <u><u>78,717</u></u> | <u><u>70,491</u></u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 100 | 100 |
| Profit and loss account | | 78,617 | 70,391 |
| | | <u><u>78,717</u></u> | <u><u>70,491</u></u> |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

April 16th 2019



S Cameron
Director

The notes on pages 8 to 13 form part of these financial statements.

FLATIRONS SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Flatirons solutions Limited is a private company (limited by shares), which is incorporated and domiciled in England and Wales.

The principal activity of the business is that of a other information technology.

The address of the registered poifice is Oak House, Tanshire Park, Shackleford Roqad, Elstead, Surrey, GU8 6LB.

The average monthly number of employees, excluding directors, during the year was 2 (2017 - 4).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. This is on the basis of financial support from Flatirons Solutions Inc and no demand of repayment of the amount owed to it. The directors have assessed that Flatirons Solutions Inc has sufficient working capital to provide this support.

2.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.5 Creditors

Short term creditors are measured at the transaction price.

FLATIRONS SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

3. Turnover

100% of the company's turnover (2017 - 100%) is attributable to geographical markets outside the United Kingdom.

FLATIRONS SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Taxation

| | 2018 £ | 2017 £ |
|-------------------------------------|-----------|-----------|
| Corporation tax | | |
| Current tax on profits for the year | 1,299 | 2,731 |

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 20%) as set out below:

| | 2018 £ | 2017 £ |
|--|-----------|-----------|
| Profit on ordinary activities before tax | 9,525 | 20,829 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 20%) | 1,810 | 3,716 |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 14 | 91 |
| Capital allowances for year in excess of depreciation | - | 227 |
| Short term timing difference leading to an increase (decrease) in taxation | (525) | (1,303) |
| Total tax charge for the year | 1,299 | 2,731 |

FLATIRONS SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Tangible fixed assets

| | Fixtures, fittings and equipment £ |
|--------------------------|---|
| Cost or valuation | |
| At 1 January 2018 | 12,145 |
| At 31 December 2018 | 12,145 |
| Depreciation | |
| At 1 January 2018 | 12,145 |
| At 31 December 2018 | 12,145 |
| Net book value | |
| At 31 December 2018 | - |
| At 31 December 2017 | - |

FLATIRONS SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Debtors

| | 2018 £ | 2017 £ |
|------------------------------------|------------------|----------------|
| Amounts owed by group undertakings | 1,058,236 | 953,112 |
| Other debtors | 7,950 | 12,755 |
| Prepayments | 3,394 | 4,515 |
| VAT recoverable | 4,849 | 3,150 |
| | <u>1,074,429</u> | <u>973,532</u> |

7. Creditors: Amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|------------------|----------------|
| Trade creditors | 3,389 | 16,430 |
| Amounts owed to group undertakings | 975,628 | 864,292 |
| Corporation tax | 1,299 | 2,731 |
| Other taxation and social security | 5,457 | 17,459 |
| Accruals | 15,300 | 21,534 |
| | <u>1,001,073</u> | <u>922,446</u> |

8. Share capital

| | 2018 £ | 2017 £ |
|---|------------|------------|
| Authorised, allotted, called up and fully paid | | |
| 100 Ordinary Shares shares of £1.00 each | <u>100</u> | <u>100</u> |

9. Pension commitments

The company operates a defined contributions pension scheme in respect of employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £42,626 (2017 - £58,270). Contributions accrued and unpaid at the year end were £3,330 (2017 - £6,093).

FLATIRONS SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard 102 "Related Party Disclosures" not to disclose transactions with other members of the group on the grounds that 100% of the voting rights are controlled within the group.

11. Controlling party

The directors regard Flatirons EMEA A/S, a company registered in Denmark, as the immediate parent company. The Company's results are included within the consolidated accounts of Flatirons EMEA A/S, and are publicly available at Bregnerødvej 139, 3460 Birkerød, Denmark.